

**RULES
OF
TENNESSEE STUDENT ASSISTANCE CORPORATION**

**CHAPTER 1640-1-13
MINORITY TEACHING FELLOWS PROGRAM**

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1640-1-13-.01 INTRODUCTION.

These rules implement the Minority Teaching Fellows Program authorized by T.C.A., Title 49, Chapter 4, Part 706 in Public Chapter 202 of the 1989 Public Acts (hereinafter called the Act). The Act provided for a \$5,000 fellowship award for minority Tennesseans who are preparing to become teachers. Recipients who become public school teachers in Tennessee shall receive forgiveness of the fellowship balance based on one year's teaching service for each year the fellowship was awarded. The Tennessee Student Assistance Corporation shall administer the program under regulations and criteria developed jointly with the State Board of Education and the Tennessee Higher Education Commission.

Authority: T.C.A. §49-4-204 and 49-4-706. **Administrative History:** Original rule filed July 14, 1989; effective October 29, 1989. Amendment filed February 3, 2005; effective June 28, 2005.

1640-1-13-.02 GENERAL.

- (1) Definitions. As used in these regulations (Chapter 1640-1-13):
- (a) "Plan of study" is a plan of enrollment not to exceed four academic years within which the applicant may complete requirements for certification/endorsement in an eligible field of study. The plan is transferable among Tennessee higher education institutions provided such transfer is approved by the receiving institution and can be completed within the four-year time period calculated from the date of original award.
 - (b) "Grace period" is a period of one year that shall begin on the date the student completes his/her plan of study, in which repayment is not required and interest shall not accrue on the loan.
 - (c) "Repayment period" is a period of not more than ten years in which the loan will be repaid and shall begin at the end of the grace period.
 - (d) "A full year of teaching service" shall be two semesters of full-time teaching.
 - (e) "Satisfactory progress" is a standard of progress toward completion of the pursued plan of study during which the student maintains at least a 2.5 cumulative grade point average (GPA) or, if required by the institution attended, a higher GPA. After two or more semesters of attendance, if a student's cumulative GPA is no more than 0.1 below the required GPA, the student may continue on probation for one semester. After the probation semester, the cumulative GPA must be at least 2.5 or higher if required by the institution attended. The student may have only one semester of probation during eight semesters of eligibility in the program.
 - (f) "Full-time teaching" will be determined on the basis that a minimum of 50% of the recipient's weekly workload is devoted to teaching, exclusive of administrative, counseling or other assigned duties.

(Rule 1640-1-13-.02, continued)

- (g) “The Act” is T.C.A. §49-4-706 as found in Public Chapter 202 of the Public Acts of 1989.
 - (h) “Eligible schools” in which recipients may teach for credit toward their loan are those determined by the State Board of Education to be maintaining public educational programs at some K-12 level in Tennessee which meet or exceed minimum standards.
 - (i) “A Statement of Intent” is a signed statement from a candidate certifying his or her intent to become a teacher in a public school system of Tennessee at the kindergarten, elementary, and/or secondary level.
 - (j) “Academic year” is a period of time, typically eight or nine months, and is composed of two semesters, three quarters, or two trimesters of instruction.
- (2) All recipients must attend the college or university on a full-time basis as determined by the institution’s written policies to be eligible.
 - (3) Funds received from this program are considered financial assistance for purposes of determining student assistance eligibility under programs authorized by Title IV of the Higher Education Act of 1965, as amended.
 - (4) All such loans shall be evidenced by notes payable to the Tennessee Student Assistance Corporation (TSAC).
 - (5) Any applications received or approved shall be subject to the availability of funds. Initially, funds are available for a total of nineteen recipients.
 - (6) The applicant pool for available funds for awards to be made for the year beginning in July shall be established based upon applications received prior to April 15 of that year, except for the initial year of implementation. The April 15 cut-off date may be extended by the TSAC Executive Director should it be determined necessary for the purpose of utilizing all available funds.

Authority: T.C.A. §§49-4-203, 49-4-204, and 49-4-706. **Administrative History:** Original rule filed July 14, 1989; effective October 29, 1989. Amendment filed April 2, 1996; effective August 28, 1996. Amendment filed October 20, 1997; effective February 27, 1998. Amendment filed February 3, 2005; effective June 28, 2005.

1640-1-13-.03 ELIGIBILITY. The successful applicant must meet all of the following:

- (1) Be a citizen of the United States.
- (2) Be a resident of Tennessee.
- (3) Be admitted to or enrolled in an accredited institution of higher education in Tennessee from which credits earned are recognized by the State to be applicable to a teacher certification program. Loans may also be granted to students admitted to or enrolled in an accredited two-year institution of higher education, provided that a plan of study is pursued which is transferable to a university in Tennessee and will lead to certification which will then be used to teach in a public school at some K-12 level in the State, and provided that the plan of study can be completed within a four-year period calculated from the date of the original award.
- (4) Submit to the Tennessee Student Assistance Corporation a signed Statement of Intent to teach in a Tennessee public kindergarten, elementary or secondary school and, after graduation, submit annual statements of employment to the Tennessee Student Assistance Corporation.

(Rule 1640-1-13-.03, continued)

- (5) Not accept any financial aid that carries with it a conflicting service obligation from any other federal or state funded teacher education program.
- (6) Submit a TSAC-approved application to TSAC by the deadline. If the applicant is a current or former college student, the application must be submitted through the college. If the applicant is an entering freshman, it should be submitted through the high school (except for the 1989-90 year). Qualified recipients must submit a renewal application to TSAC each year by March 1 to be eligible for the ensuing year.

Authority: T.C.A. §§49-4-203, 49-4-204, and 49-4-706. **Administrative History:** Original rule filed July 14, 1989; effective October 29, 1989. Amendment filed October 20, 1997; effective February 27, 1998. Amendment filed February 3, 2005; effective June 28, 2005.

1640-1-13-.04 METHOD OF SELECTION.

- (1) Each year that funds are available, representatives of the State Board of Education, the State Department of Education, and the Tennessee Higher Education Commission with the Executive Director of TSAC shall form a selection committee which shall determine the ranking of applicants in accordance with the ranking system adopted by the four agencies.
- (2) The following priority groups have been established for this program:
 - (a) Eligible renewal applicants have priority over all other applicants.
 - (b) The first-time applicants in the following priority groups will be recognized:

Priority Group	Minimum Requirements
1 st - Entering Freshmen	2.75 High School GPA and either an ACT composite score of at least 18 (or the equivalent SAT total score) or in the top 25% of their high school graduating class. Other scores may be considered if there are compensating factors.
2 nd - College Students	2.5 College GPA, full-time enrollment, and taking courses creditable to teacher education. Other scores may be considered if there are compensating factors.

Until all qualified applicants from the higher priority group(s) who had submitted their applications by the deadline have been offered the loan, no applicants from a lower group may be considered for selection.

- (3) The ranking of applicants must consider grade point average, standardized test scores, minority status, and evidence of commitment - experiences that would indicate an interest in teaching. It may also include difficulty of high school and/or undergraduate courses taken, certifications sought, the grand division of the State in which the applicant resides, and other such factors that shall be identified as relevant to meeting the goals and interests of the Act.

Authority: T.C.A. §§49-4-203 and 49-4-204. **Administrative History:** Original rule filed July 14, 1989; effective October 29, 1989. Amendment filed October 20, 1997; effective February 27, 1998. Amendment filed December 22, 1997; effective April 30, 1998.

1640-1-13-.05 LOAN AMOUNT AND TERMS.

- (1) All loans shall be evidenced by notes payable to the Tennessee Student Assistance Corporation. Awards will be sent to the college financial aid office or business office each quarter or semester in the recipient's name and shall be disbursed on a quarter or semester pro rata basis. If the institution participates in Automated Clearing House, the funds will be sent by direct deposit to the institution and the institution will be directed to deliver the funds to the recipient. The maximum award for a recipient in any fiscal year is \$5,000. If the recipient receives other educational assistance for the same period(s), the total assistance including this award is limited to the recipient's cost of attendance, as determined by the college financial aid office.
- (2) The applicant may receive an award for up to \$5,000 per academic year. The total maximum award shall in no case exceed \$20,000 over the maximum four-year period.
- (3) Cancellation
 - (a) For each year of full-time eligible service, as defined in these regulations, the recipient shall receive cancellation credit of one year's award. (This normally would be \$5,000 plus related interest.) If a recipient teaches for three consecutive years within seven years after graduation in an eligible school that is high priority or on warning status as designated by the State Department of Education or the State Board of Education, the recipient's obligation will be cancelled. (This normally would be \$6,667 per year plus related interest.)
 - (b) Cancellation credit will be calculated at a rate of \$5,000 per year of service plus interest on each year of service. If a recipient teaches in an eligible school that is high-priority or on warning status, the cancellation credit will be calculated at a rate of \$6,667 per year of service plus interest on each year of service. Fractions of a year may be credited in one semester or one-half (1/2) year increments toward cancellation for recipients who begin or end full time teaching in the middle of an academic year in a Tennessee public school. At the end of such period, cancellation will be applied upon receipt of verification of the completion of such service.
 - (c) The term "teaching" shall include persons employed in an eligible school in accordance with the Act.
 - (d) A grace period of one year will be granted to allow the recipient opportunity to secure employment to begin cancellation credit. Some or all of the grace period may be waived at the recipient's written request.
 - (e) The debt shall be cancelled in case of the death of the recipient upon documentation deemed acceptable by TSAC.
 - (f) If a recipient is determined to be totally and permanently disabled under the standards established by *T.C.A.*, Title 8, Chapter 36, Part 5, for determining disability for members of the Tennessee Consolidated Retirement System, the outstanding debt shall be cancelled. A recipient is not considered totally and permanently disabled on the basis of a condition that existed prior to his/her application unless the recipient's condition has substantially deteriorated since he/she submitted the application. If at any time subsequent to an initial determination of disability the recipient's condition improves to the point where a total and permanent disability no longer exists, the corporation may reinstate any outstanding debt previously cancelled.
- (4) Repayment
 - (a) The loan must be repaid should the recipient choose not to honor the terms and conditions of the loan agreement. Repayment will include the full amount of the loan funds received plus interest accrued from the date of award(s). The interest accrued is determined by an interest rate of 9%

(Rule 1640-1-13-.05, continued)

per annum. Repayment may be in whole or in monthly installments of at least one hundred dollars (\$100) over a period of not more than ten years from the end of the grace period. Payments of less than one hundred dollars (\$100) per month may be made only if the recipient documents to TSAC's satisfaction his or her inability to make payments of that size. All interest shall be based upon the unpaid balance of the loan. The accrued interest may be capitalized.

- (b) Repayment for recipients who complete the plan of study shall begin on the first day of the month following the end of the grace period. Interest shall begin to accrue on September 1 after completion of the program.
 - (c) Repayment for recipients who fail to complete the funded plan of study shall begin on the first day of the month following such failure. Interest shall begin to accrue immediately after the termination of the award. Repayment will include the full amount of the loan funds received plus interest accrued from the date of award(s), and shall be based upon the 9% per annum interest rate from the time of the recipient's first award. Repayment may be made in whole or in monthly installments over a period of not more than ten years from the date of failure to complete the plan of study. All interest shall be based upon the unpaid balance of the loan. The accrued interest may be capitalized. If a borrower issues a check, draft, warrant or electronic funds transfer, which is subsequently returned to the Tennessee Student Assistance Corporation for reason of insufficient funds, a stop payment order by the issuer, or any other reason, the payment to which these funds was applied shall be reversed on the borrower's account and interest shall continue to accrue from the date of the last valid payment.
 - (d) Repayment of principal and interest will be prorated for partial service cancellation to reflect each full academic year taught. Such repayment shall begin on the first day of the month following termination of the creditable teaching service. Repayment of the non-cancelled loan may be made in whole or in monthly installments over the remaining months of the ten-year repayment period. All interest shall be based upon the unpaid balance of the loan. The accrued interest may be capitalized. Minimum monthly payments of one hundred dollars (\$100) will be required unless an exception as described in (4)(a) is granted.
 - (e) If a recipient should re-enter teaching at an eligible school after commencing monetary repayment, the repayments already made cannot be returned to the recipient. However, any additional repayment balances that were not in arrears at the time of the reentry into teaching may be "forgiven" by subsequent teaching service.
 - (f) By statute (*T.C.A. §49-4-404*), the State Attorney General assumes the legal responsibility forcing the collection of any such indebtedness against the individual.
- (5) Repayment of principal may be deferred, but interest shall accrue, during any period while the recipient is enrolled as a full-time student in an accredited institution of higher learning, or other extenuating circumstances as determined by the Executive Director of the TSAC.

Authority: *T.C.A. §§49-4-204 and 49-4-706. Administrative History: Original rule filed July 14, 1989; effective October 29, 1989. Amendment filed July 17, 1991; effective October 29, 1991. Amendment filed October 20, 1997; effective February 27, 1998. Amendment filed September 17, 1998; effective January 28, 1999. Amendment filed June 30; effective October 28, 2000. Amendment filed July 26, 2000; effective November 28, 2000. Amendment filed August 29, 2000; effective December 29, 2000. Amendment filed August 6, 2002; effective December 27, 2002. Amendments filed February 3, 2005; effective June 28, 2005.*

1640-1-13-.06 APPEALS PROCEDURES.

- (1) Generally, the rulings of the program's administrator shall apply.

(Rule 1640-1-13-.06, continued)

- (2) Those who believe that his/her rulings were not according to the published regulations and the Act may appeal to the TSAC Executive Director for relief.
- (3) If the Executive Director does not rule in the favor of the complainant, the complainant may request a hearing before the TSAC Appeals Committee. The ruling of the Appeals Committee shall be the last administrative remedy.

Authority: T.C.A. §49-4-204. **Administrative History:** Original rule filed July 14, 1989; effective October 29, 1989.

1640-1-13-.07 PRECEDENCE OF THE ACT.

These regulations are subordinate to the Act and are intended to facilitate its implementation. Any portion of these regulations which are adjudicated as contrary to law are to be considered null and void. All other portions of these rules shall be severed therefrom and considered in full force.

Authority: T.C.A. §49-4-204. **Administrative History:** Original rule filed July 14, 1989; effective October 29, 1989.